UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
--X ECF CASE
GOTTLIEB DEVELOPMENT LLC,

08 CV 2416 (DC)

Plaintiff,

-against-

PARAMOUNT PICTURES CORPORATION,

Defendant.
--X

PLAINTIFF'S MEMORANDUM OF LAW IN OPPOSITION TO DEFENDANT'S MOTION TO DISMISS

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Argument

I. Defendant's Use of the Backglass, Playfield Layout and Playfield Design Are Not De Minimis.

Defendant argues that its use of the Backglass, Playfield Layout and Playfield Design is *de minimis* and that such use precludes claims for copyright infringement of said designs. (Def.Mem., p.5-6). Defendant's Memorandum of Law does not set forth the standard for finding *de minimis* use of a copyright.

To establish that the infringement of a copyright is *de minimis*, and therefore not actionable, the alleged infringer must demonstrate that the copying of the protected material is so trivial "as to fall below the quantitative threshold of substantial similarity, which is always a required element of actionable copying." Ringgold v. Black Entertainment Tel., Inc., 126 F.3d 70, 74 (2d Cir. 1997) (citing 4 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 13.03[A] at 13-27). In determining whether or not the allegedly infringing work falls below the quantitative threshold of substantial similarity to the copyrighted work, courts look to the amount of the copyrighted work that was copied, as well as, in cases involving visual works, the observability of the copyrighted work in the allegedly infringing work. Ringgold, 126 F.3d at 75. Observability is determined by the length of time the copyrighted work appears in the allegedly infringing work, and its prominence in that work as revealed by the lighting and positioning of the copyrighted work. Ringgold, 126 F.3d at 75.

Like the analysis of a fair use claim, an inquiry into the substantial similarity between a copyrighted work and the allegedly infringing work must be made on a case-by-case basis, as there are no bright-line rules for what constitutes substantial similarity. See Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 577 (1994) (analysis of fair use claim must be made on case-by-case basis); Peter Pan Fabrics, Inc. v. Martin Weiner Corp., 274 F.2d 487, 489 (2d Cir. 1960) (test for infringement of a copyright is necessarily "vague" and determinations must be made "ad hoc").

Thus, the general test for substantial similarity looks to the response of the average audience, or ordinary observer, to determine whether a use is infringing. See, e.g., Cavalier v. Random House, Inc., 297 F.3d 815, 822 (9th Cir. 2002). To say that a use is *de minimis* because no audience would recognize the appropriation is thus to say that the works are not substantially similar. Newton v. Diamond, 349 F.3d 591, 594 (9th Cir. 2003); See Fisher v. Dees, 794 F.2d 432, 434, n.2 (9th Cir. 1986) ("[A] taking is considered *de minimis* only if it is so meager and fragmentary that the average audience would not recognize the appropriation.").

In analyzing whether a particular use of copyrighted material should be deemed *de minimis* when the material is broadcast on television, courts look to the regulation issued by the Librarian of Congress providing for royalties to be paid by public broadcasting entities for use of published pictorial and visual works. See, e.g., Ringold, 126 F.3d at 77 and Gordon v. Nextel Communications, 345 F.3d 922, 924 (6th Cir. 2003), both citing 37 C.F.R. § 253.8. The regulation distinguishes between a "featured" display and a "background and montage" display, setting a higher royalty rate for the former. (Id.). The Librarian has defined a "featured" display as a "full-screen or substantially full screen display for more than three seconds," and a "background or montage" display as "any display less than full-screen, or full-screen for three seconds or less." (Id.).

In this case, the movie at issue has been broadcast on television. (Complaint, ¶ 5). With respect to the Playfield Layout and Playfield Design, Exhibit 1 to plaintiff's Declaration of Robert Fesjian dated July 31, 2008 ("plaintiff's Declaration") shows that those designs are visible for approximately 8 seconds.

With respect to the designs that form the Backglass design, Exhibit 1 to plaintiff's Declaration shows that those designs are visible in 27 shots for approximately 74 total seconds. The Backglass designs are repeatedly shown behind Mel Gibson almost each time that he is speaking in the scene containing plaintiff's pinball machine. (Def.Decl., Ex. E, 37:02 to 40:34 runtime of movie).

Indeed, plaintiff's pinball machine plays an important role in the plot structure and theme of the film. The pinball machine emblazoned with plaintiff's SILVER SLUGGER logo is deliberately situated behind Mel Gibson to accentuate his masculinity. The baseball theme of the pinball machine was deliberately chosen by the film's creators to be shown behind Mel Gibson whenever he speaks because they wanted to associate Mel Gibson with specific masculine traits and pastimes like professional sports (baseball) and pinball. (Consistent with the sports theme, Mel Gibson practices swinging a golf club in his office in another scene.) The film's creators could have chosen any number of items to place behind Mel Gibson but they specifically chose plaintiff's baseball-theme pinball machine to further the male-versus-female conflict and themes presented throughout the film. For example, later on in the film, the lead actress (Helen Hunt) redecorates her office by removing all items associated with masculinity and replaces them with more feminine items.

Moreover, during the "Audio Commentary" of the film that can be played on the film's DVD as a "Special Feature" while one watches the film, the production designer of the film (Jon Hutman) specifically states that the pinball machine is a crucial component of the scene's production design! (Def.Decl., Ex. E, at 36:44 to 37:14 runtime of movie). He states that the pinball machine was specifically placed into that conference room in order to contrast it with the other, more staid conference room used in the film. (Id.). He also states that the conference room with the pinball machine is meant to inspire creativity among the staff of the advertising firm during creative meetings while the other conference is used for more serious business meetings. (Id.).[1]

The Silver Slugger logo is part of the Backglass design and copyright. (Def.Decl., Ex. B). This logo is also along the side of the pinball machine and is clearly visible several times during the film. (Pl.Decl, Ex. 1; Def.Decl., Ex. E). Accordingly, defendant's infringement of the Backglass design includes defendant's use of the Silver Slugger logo along the side of the pinball machine.

Furthermore, the filmmakers deliberately plugged in and turned on the pinball machine during the first half of the scene. The blinking lights on the Backglass and Playing Field are clearly visible from the beginning of the scene until the 39th minute of the film. This was obviously done to draw attention to the pinball machine and the plaintiff's designs. At the 39th minute of the film, Mel Gibson gets up from his chair and speaks while he paces around the room. From the moment that he gets up from his chair and until the end of the scene, the machine's lights are off. The filmmakers clearly did not want the blinking machine to distract the audience too much away from Mel Gibson's actions during the second half of the scene.

In addition, throughout the scene there is a small stool situated alongside plaintiff's pinball machine that is strategically placed in front of the plaintiff's copyright notice on the pinball machine and that blocks the copyright notice from the audience's view. There is no reason that a small stool would randomly be next to a pinball machine in a conference room. The placement of the stool clearly indicates defendant's consciousness of its illegal conduct.

[1]Plaintiff's pinball machine also appears several times during the 15-minute publicity video included in the film's DVD entitled "The Making Of 'What Women Want.'" (Def.Decl., Ex. E).

Defendant has obviously used the stool to keep the focus of the audience on the plaintiff's designs instead of distracting the audience with a visible and valid copyright notice.

Defendant's use of the plaintiff's designs mirrors the illegal use by the infringer in Ringgold of a poster in a television program. In Ringgold, the court found that the infringer's nine brief but repeated shots of the poster totaling 26.75 seconds reinforced its prominence and created a cumulative effect which was not *de minimis* copying. Ringgold, 126 F.3d at 77.

Also, it is not relevant that the plaintiff's designs are shown only in one three-and-one-half minute scene of a two-hour movie. The "substantiality of the similarity" between a copyrighted work and the allegedly infringing work is measured by considering the qualitative and quantitative significance of the copied portion of plaintiff's work in relation to the plaintiff's work as a whole. See, e.g., Worth v. Selchow & Righter Co., 827 F.2d 569, 570 n. 1 (9th Cir. 1987) ("The relevant inquiry is whether a substantial portion of the protectible material in the plaintiff's work was appropriated -- not whether a substantial portion of defendant's work was derived from plaintiff's work."); Jarvis v. A&M Records, 827 F. Supp. 282, 289-90 (D.N.J. 1993); 4 Nimmer § 13.03[A][2], at 13-47 to 48 & n.97. This focus on the infringing use of a plaintiff's work in relation to the plaintiff's work as a whole embodies the fundamental question in any infringement action, as expressed more than 150 years ago by Justice Story: whether "so much is taken that the value of the original is sensibly diminished, or the labors of the original author are substantially to an injurious extent appropriated by another." Folsom v. Marsh, 9 F. Cas. 342, 348, F. Cas. No. 4901 (C.C. Mass. 1841) (No. 4901); See Sheldon v. Metro-Goldwyn Pictures Corp., 81 F.2d 49, 56 (2d Cir. 1936) ("It is enough that substantial parts were lifted; no plagiarist can excuse the wrong by showing how much of his work he did not pirate.").

In this case, defendant has clearly utilized a significant portion of plaintiff's designs. Accordingly, the misappropriation by defendant is quantitatively and qualitatively significant.

Furthermore, defendant's conduct is clearly contradictory to the establish practice in the movie business whereby a filmmaker obtains permission before using another's copyrights and/or trademarks in a film. As the Ringgold court stated,

"It must be recognized that visual works are created, in significant part, for their decorative value, and, just as members of the public expect to pay to obtain a painting or a poster to decorate their homes, producers of plays, films, and television programs should generally expect to pay a license fee when they conclude that a particular work of copyrighted art is an appropriate component of the decoration of a set." Ringgold, 126 F.3d at 77.

In sum, plaintiff's designs in defendant's film are "recognizable" and "shown in sufficient observable detail for the average lay observer to discern" plaintiff's designs. Ringgold, 126 F.3d at 77. Thus, defendant's use of plaintiff's designs is not *de minimis* copying and cannot therefore preclude plaintiff's copyright infringement claims.[2]

[2] In a footnote, defendant argues that plaintiff cannot recover damages arising from distribution of the film occurring prior to three years from the filing of the Complaint under 17 U.S.C. § 507(b). (Def. Mem., p.3, n.5). This is not true. "[17 U.S.C.] § 507(b) permits damages occurring outside of the three-year window, so long as the copyright owner did not discover -- and reasonably could not have discovered -- the infringement before the commencement of the three-year limitation period." Polar Bear Productions, Inc. v. Timex Corp., 384 F.3d 700, 2004 U.S. App. LEXIS 22131, * 10 (9th Cir. 2004). Because plaintiff did not discover defendant's infringement until within three years of filing suit (Complaint, ¶ 6) and could not have reasonably discovered it earlier without actually watching defendant's movie earlier, plaintiff may recover damages for infringement that occurred outside of the three-year window. Polar Bear Productions, Inc. v. Timex Corp, 384 F.3d 700, 2004 U.S. App. LEXIS 22131, *10-11 (9th Cir. 2004). Plaintiff did not watch the film until April, 2007. (Def.Decl, Ex. A., Complaint, ¶ 6).

II. Whether Defendant's Use Of Plaintiff's Designs Is *De Minimis* Copying Is A Question Of Fact That Cannot Be Determined In A Motion To Dismiss.

It is well-settled that a court will analyze documents referred to in a Complaint in making a decision on a motion to dismiss only when such analysis does not involve a question of fact. In a motion to dismiss, a court will typically analyze documents such as a contract referred to in a Complaint because such analysis involves a determination only on a question of law. When evidence outside the Complaint is analyzed to make a determination on a motion to dismiss, the motion to dismiss must be converted into a motion for summary judgment. Fed.R.Civ.Proc. 12(d).

Whether defendant's use of plaintiff's designs constitutes *de minimis* copying is a question of fact which cannot be determined in a motion to dismiss. Indeed, defendant has not cited a single case in which a court has made a determination in a motion to dismiss regarding whether certain copying was *de minimis* and thus not actionable as copyright infringement. Rather, all published cases which have made a determination on such issue have involved summary judgment decisions or decisions in the later stages of a litigation such as trial and post-trial decisions. Moreover, such decisions routinely analyze expert witness testimony as part of the court's fact-finding on whether certain copying is *de minimis*. See, e.g., Newton v. Diamond, 349 F.3d 591 (9th Cir. 2003).

By ruling on this question of fact at this stage of the proceeding on a motion to dismiss, the court would be preventing plaintiff from submitting any expert witness testimony on whether plaintiff's designs in defendant's film are "recognizable" and/or "shown in sufficient observable detail for the average lay observer to discern" plaintiff's designs. Ringgold, 126 F.3d at 77. The court would also be preventing plaintiff from submitting surveys and other evidence which would show that an average lay observer can discern plaintiff's designs in defendant's film.

(Id.). Plaintiff contends that any lay observer/moviegoer can easily discern plaintiff's designs in defendant's movie. Indeed, when the movie was originally shown in movie theaters on 60-foot screens around the country, plaintiff's designs would have appeared enormous and extremely visible to any lay observer/moviegoer. Plaintiff's designs are also clearly visible in the DVD version of the movie. (Def.Decl., Ex. E).

Thus, at a minimum, whether defendant's copying of plaintiff's designs is *de minimis* is a question of fact that precludes dismissal of the copyright infringement claims on a motion to dismiss. See, e.g., Leigh v. Warner Brothers, Inc., 212 F.3d 1210, 1213 (11th Cir. 2000) ("'Substantial similarity' [between plaintiff's photograph and defendant's film] is a question of fact, and summary judgment is only appropriate if no reasonable jury could differ in weighing the evidence.)

III. The Portions Of The Backglass Used By Defendant Are Protectible.

Defendant argues that the portion of the Backglass actually used by defendant in the film is not protectible as a copyrightable work because such portion is made up of "public domain elements." (Def.Mem., p.6).

However, in order to show that a work is entitled to copyright protection, a copyright holder need only show a "modest" or "minimal" amount of originality in creating the work. L.Batlin & Son, Inc. v. Snyder, 536 F.2d 486 (2d Cir. 1976). This test of originality establishes a "low threshold." Batlin, 536 F.2d at 490, citing Herbert Rosenthal Jewelry Corp. v. Grossbardt, 436 F.2d 315, 316 (2d Cir. 1970), and Nimmer; see Puddu v. Buonamici Statuary, Inc., 450 F.2d 401, 402 (2d Cir. 1971) ("modest"); Thomas Wilson & Co. v. Irving J. Dorfman Co., 433 F.2d 409, 411 (2d Cir. 1970), cert. denied, 401 U.S. 977, 91 S.Ct. 1200, 28 L.Ed.2d 326 (1971) ("modest at best"); Millworth Converting Corp. v. Slifka, 276 F.2d 443, 445 (2d Cir. 1960) ("modest"); see also Dan Kasoff, Inc. v. Novelty Jewelry Co., 309 F.2d 745, 746 (2d Cir. 1962) (only "faint trace" of originality required).

In its memorandum of law, defendant oversimplifies and minimizes the work that was actually put in to create the portions of the Backglass design used by defendant in the film.

The Backglass design is obviously a sophisticated work of art.

To start, the creator of the Backglass had to use significant originality to create the highly stylized coloring and letter design for the logo “Silver SLUGGER” which includes an oversized blue baseball with prominent stitching and a lightning swoosh in blue and white depicting the trail of the baseball. (In reality, baseballs are typically white, not blue.).

The layout of the players on the field was also carefully planned by the creator of the Backglass inasmuch as there is a multitude of options available for presenting baseball player positions and a baseball field. For example, the infield players could be playing “in” and aligned at the front edge of the dirt infield or they could be playing “back” and aligned at the back edge of the dirt infield. Similarly, the outfield players could be playing in and close to the infield or they could be playing out and far away from the infield. In the Backglass, the designer has created over-sized players on a tiny, stylized playing field that is clearly not drawn to the scale of an actual baseball field. The second baseman is playing back while the other infielders are playing farther in. The Backglass is artfully drawn from the stylized perspective of someone sitting in the stands to the left of home plate. The on-deck batter did not have to appear in the design but the designer elected to include him. The home plate umpire could have been more to the left of the catcher wearing a black uniform like real umpires but the designer elected to place him directly behind the catcher with a lot of yellow in his uniform.

The infield could have been an Astroturf infield with a green color but the designer of the Backglass instead elected to create a brown dirt infield. In addition, the color scheme utilized to depict the baseball field is particularly dark because it shows a night game rather than a day game. Also, the Backglass is lighter in color at the bottom of the design as compared to the top of the design.

Accordingly, the designer of the Backglass clearly used more than a modest amount of creativity and originality to create the Backglass. The portions of the Backglass used by the defendant are thus not in the public domain and are entirely protectible as copyrightable works.

IV. Plaintiff Need Not Prove Its Entire Trademark Infringement Case At This Stage Of The Lawsuit.

Defendant argues that plaintiff cannot possibly prove at trial that its trademark "Gottlieb" has acquired secondary meaning or that there is a likelihood of confusion as a result of defendant's use of plaintiff's trademark. (Def.Mem., p.7-8). As the cases that defendant has cited show, whether a trademark is valid or whether there is a likelihood of confusion are complicated issues that require an in-depth analysis of a multitude of facts. See Jewish Sephardic Yellow Pages, Ltd. v. Dag Media, 478 F.Supp.2d 340 (E.D.N.Y. 2007) and Wham-O, Inc. v. Paramount Pictures Corp., 286 F.Supp.2d 1254 (N.D.Cal. 2003). In Jewish Sephardic Yellow Pages, Ltd., supra, the court found, in a 9-page decision that affirmed a Magistrate Judge's 59-page Report and Recommendation on a motion for summary judgment, that the plaintiff had not proved that its trademark had acquired secondary meaning. After significant discovery had taken place in the lawsuit, the court examined a multitude of declarations, deposition transcripts and other evidence in making its decision. Jewish Sephardic Yellow Pages, Ltd., supra.

In deciding the issue of whether plaintiff's trademark had acquired secondary meaning, the court analyzed various factors and evidence including consumer surveys, advertising efforts, sales success, unsolicited media coverage, length and exclusivity of the trademark's use, and intentional copying. Id., 478 F.Supp.2d at 369-377; See Genesee Brewing Co. v. Stroh Brewing Co., 124 F.3d 137, 143 (2d Cir. 1997) (In determining whether a trademark has acquired secondary meaning, a court must review evidence in light of the six factors classically recognized as relevant to secondary meaning: (1) advertising expenditures, (2) consumer studies linking the mark to a source, (3) unsolicited media coverage of the product, (4) sales success, (5) attempts to plagiarize the mark, and (6) length and exclusivity of the mark's use.).

Clearly, such an analysis cannot occur in a motion to dismiss pursuant to Fed.R.Civ.Proc. 12(b)(6).

In this case, as described in plaintiff's Declaration of Robert Fesjian dated August 1, 2008, plaintiff's trademark is one of the most well-known trademarks associated with pinball machines in the world. Plaintiff will easily be able to prove secondary meaning of its trademark at the appropriate stage of this proceeding.[3]

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[3] Contrary to defendant argument that plaintiff's Complaint does not state the basis for finding that secondary meaning exists (Def.Mem., p.8), paragraphs 10 and 11 of the Complaint state:

"10. Continuously since 1985, the owner of the trademark "Gottlieb" has used the said trademark to identify its goods and to distinguish them from those of others by, among other things, prominently displaying the said trademark in advertising and promotional material and on items produced and sold by the trademark's owner nationwide.

11. As a result of the foregoing, the said trademark has developed and now possesses a secondary and distinctive meaning to purchasers and users of items containing such trademark." (Pl.Decl., Ex. A, Complaint, ¶ 10-11).

As explained in plaintiff's Declaration of Robert Fesjian dated August 1, 2008, the "1985" in paragraph 10 of the Complaint is a typo and should instead say "1927."

In addition, defendant misstates the relevance of plaintiff's trademark's placement on the Supplemental Register rather than on the Principal Register. (Def.Mem., p.7-8). Rather than hindering plaintiff's ability to prove that its mark has acquired secondary meaning, the registration on the Supplemental Register will help plaintiff with its proof. Plaintiff's trademark is on the Supplemental Register because a Patent and Trademark Officer examiner found that plaintiff's trademark "was descriptive and capable of acquiring distinctiveness through secondary meaning." Jewish Sephardic Yellow Pages, Ltd., 478 F.Supp.2d at 365.

Moreover, plaintiff's trademark is no longer only on the Supplemental Register. Since September, 2007, plaintiff's trademark has also been on the Principal Register. (Pl.Decl., Ex. 2).

Defendant's reliance on Wham-O, Inc. v. Paramount Pictures Corp., 286 F.Supp.2d 1254 (N.D.Cal. 2003) is also misplaced. In that case, in which defendant used plaintiff's "Slip 'N Slide" children's water slide in its film, the court merely denied plaintiff's application for a TRO that sought to prevent distribution of defendant's film. The court did not dismiss any of plaintiff's claims and did not suggest that plaintiff's claims could not be proven at trial upon submission of the appropriate evidence. Wham-O, Inc. v. Paramount Pictures Corp., supra. [4]

Defendant also argues that plaintiff cannot possibly prove that there is a likelihood of confusion resulting from defendant's use of plaintiff's trademark in order to justify a violation of the Lanham Act. (Def.Mem., p. 8). However, the Lanham Act is interpreted broadly to cover "the use of trademarks which are likely to cause confusion, mistake, or deception **of any kind**, not merely of purchasers nor simply as to source of origin." Syntex Labs., Inc. v. Norwich Pharmacal Co., 437 F.2d 566, 568 (2d Cir. 1971) (emphasis added); see, e.g., Checkpoint Sys.,

[4] A review of the docket of Wham-O, Inc. v. Paramount Pictures Corp, supra., indicates that the case was settled a year after it was filed. The defendant in Wham-O, Inc. is the same defendant herein.

Inc. v. Check Point Software Techs., Inc., 269 F.3d 270, 295 (3d Cir. 2001) (overly narrow view of confusion "would undervalue the importance of a company's goodwill with its customers"); Morningside Group Ltd. v. Morningside Capital Group, L.L.C., 182 F.3d 133, 141 (2d Cir. 1999) (reversing due to lower court's use of "inordinately narrow definition of actual confusion" that ignored "actual confusion regarding affiliation or sponsorship"); Meridian Mutual Ins. Co. v. Meridian Insurance Group, Inc., 128 F.3d 1111, 1118 (7th Cir. 1997) (context of confusion "immaterial" because any injury to goodwill or loss of control over reputation is actionable); Champions Golf Club, Inc. v. Champions Golf Club, Inc., 78 F.3d 1111, 1119-20 (6th Cir. 1996) (relevant evidence of confusion goes beyond purchaser confusion and includes "confusion among nonpurchasers" in order to "protect the manufacturer's reputation"); Fuji Photo Film Co. v. Shinohara Shoji Kabushiki Kaisha, 754 F.2d 591, 596 (5th Cir. 1985) (actionable confusion includes any use "likely to confuse purchasers with respect to . . . [a product's] endorsement by . . ., or its connection with[,] the plaintiff").

In this case, plaintiff has the right for its trademark not to be associated with defendant's film. All moviegoers are familiar with product placement in TV shows and films and know that a product's placement in a TV show or movie means that the actors, producers and filmmakers are endorsing or approving certain products by allowing them to be shown or used in their films. For many reasons, plaintiff does not want to its trademark and business name to be associated with defendant's film. Defendant's film stars Mel Gibson and is continually shown on television and continuously distributed on DVD and other media including I-pods and internet downloads. Mel Gibson's father is a well-known and public Nazi sympathizer and Holocaust denier. Mel Gibson is a well-known anti-semite. The film "Passion of the Christ" that he produced and directed is blatantly anti-semitic. When arrested for a DUI in Los Angeles in July, 2006, Mel

Gibson's first reaction was to rant to the police about his anti-semitic views. His anti-semitic statements to the arresting officers were widely disseminated throughout the world by virtually every news organization.[5]

Accordingly, plaintiff is entitled to protect its trademark from, among other things, being associated with despicable and detestable persons which would harm the trademark's reputation. Clearly, plaintiff should be able to ensure that its trademark is only used by others in commerce upon plaintiff's proper authorization. As a result, plaintiff's claim for violation of the Lanham Act is well-pleaded and should not be dismissed on a motion for summary judgment.

V. There Is No "*De Minimis* Use" Defense In Trademark Infringement Actions.

Defendant argues that, because defendant's use of plaintiff's trademark is *de minimis*, plaintiff has failed to state a claim for trademark infringement. (Def.Mem., p.9). However, there is no "*de minimis* use" defense in trademark infringement actions. Indeed, the only case cited by defendant in support of defendant's invented legal theory does not state that such a defense exists. Electronic Design & Sales, Inc. v. Electronic Data Sys. Corp., 954 F.2d 713, 717 (Fed.Cir. 1992). Rather, as Electronic Design & Sales, Inc. v. Electronic Data Sys. Corp., supra, states, the issue in trademark infringement actions is whether there is a "likelihood of confusion" resulting from a defendant's use of a plaintiff's trademark and not whether defendant's infringement was *de minimis*. Id. [6]

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[5] Plaintiff respectfully requests that the court take judicial notice of the facts in this paragraph. An internet Google search with the words "Mel Gibson Jewish" produces 964,000 responses including thousands of news media references to Mel Gibson's anti-semitic statements. An internet Google search with the words "Mel Gibson antisemitic" produces 275,000 responses. An internet Google search with the words "Mel Gibson's father Holocaust" produces 189,000 responses including the statements by Mel Gibson's father in the news media denying the existence of the Holocaust. An internet Google search with the words "Mel Gibson's father anti semitic" produces 83,600 responses.

In this case, plaintiff will easily be able to prove such a likelihood of confusion at the appropriate stage of the litigation.

VI. There Is No Defense From Trademark Infringement Based On Fact That Plaintiff's Trademark Is On A Prop In A Movie.

Defendant also argues that, because plaintiff's trademark is on a prop in defendant's movie, plaintiff has lost its trademark rights. (Def.Mem., p.9). Defendant has invented another purported trademark infringement defense that simply does not exist. Indeed, the three cases that defendant has cited in support of this invented legal theory do not show that such a defense exists.

In Sherwood 48 Assocs. v. Sony Corp. of Am., 2003 U.S.App. Lexis 20106 (2d Cir. 2003), the court found that certain buildings in the background of a movie were not protectible under the Lanham Act only because the plaintiffs did not articulate in the Complaint the trade dress associated with the building with precision so as to "offer a precise expression of the character and scope of the claimed trade dress." Sherwood 48 Assocs., 2003 U.S.App. Lexis 20106, *5-6. Thus, that case had nothing to do with a word trademark like "Gottlieb" on a prop in a movie.

Felix the Cat Productions, Inc. v. New Line Cinema Corp., 54 U.S.P.Q.2d 1856 (C.D.Cal. 2000), involved a plaintiff suing for trademark infringement because a cartoon sequence depicting a child genius cartoon character was shown in defendant's movie. The court in that

[6] Regardless, in this case, defendant's use of plaintiff's trademark was not *de minimis*. Plaintiff's trademark is plainly visible in the DVD version of defendant's movie for several seconds. (Pl.Decl., Ex. 1; Def.Decl., Ex. E). When the film originally was shown in movie theaters on a 60-foot movie screen, plaintiff's trademark would have been several feet long and taken up a significant portion of a movie screen.

case found that the cartoon character was not a trademark entitled to trademark protection. That case did not involve a word trademark like "Gottlieb" in this case and is thus inapposite.

In Rock & Roll Hall of Fame & Museum v. Gentile Prod., 71 F.Supp.2d 755 (N.D.Ohio 1998), the court on a motion for summary judgment found that the use of the words "Rock N' Roll Hall of Fame – Cleveland" to describe buildings in a poster was a "fair use" of the trademark under 15 U.S.C. 1115(b)(4) precluding a trademark infringement claim.

In this case, defendant has not alleged such a "fair use" defense because to do so would be an admission that defendant's use was causing a likelihood of confusion. See, e.g., KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 543 U.S. 111, 125 S. Ct. 542, 160 L. Ed. 2d 440, 2004 U.S. LEXIS 8170, *23 (2004) (holding that "fair use can occur along with some degree of confusion").

Regardless, defendant's use of plaintiff's trademark is not a fair use under 15 U.S.C. 1115(b)(4) because, under that statute, defendant would have to be using plaintiff's trademark "otherwise than as a mark" and "only to describe the goods or services of such party." Contrary to the defendant in Rock & Roll Hall of Fame & Museum, supra, who added plaintiff's trademark at the bottom of his poster to inform people what they were looking at in the poster, defendant herein has not used plaintiff's trademark in such a manner. Defendant herein has used plaintiff's trademark exactly as it appears on plaintiff's goods, namely as a trademark, and did not separately add it somewhere to describe plaintiff's goods.

Accordingly, there is no basis whatsoever for defendant's position that movie props are immune from trademark infringement lawsuits.

VII. Plaintiff's Other Claims Are Well-Pleaded.

Defendant argues in a footnote that plaintiff's unfair competition claim and unjust enrichment claim fail because there is no infringement under the Lanham Act. (Def.Mem., p.9, n.9). As discussed above, because plaintiff's Lanham Act claim is well-pleaded, plaintiff's unfair competition claim and unjust enrichment claim are also well-pleaded.

With respect to plaintiff's claim under N.Y. Gen. Bus. Law § 349, defendant argues that this claim is invalid because defendant's conduct does not have ramifications for the public. (Def.Mem., p.9, n.9). The New York Court of Appeals clarified the scope of N.Y. Gen. Bus. Law § 349 in Oswego Laborers' Local 214 Pension Fund v. Marine Midland Bank, 85 N.Y.2d 20, 623 N.Y.S.2d 529, 647 N.E.2d 741 (1995). To make out a prima facie case under Section 349, a plaintiff must demonstrate that (1) the defendant's deceptive acts were directed at consumers, (2) the acts are misleading in a material way, and (3) the plaintiff has been injured as a result. See id. at 25. As the court noted, "private contract disputes, unique to the parties . . . would not fall within the ambit of the statute." Id. (citing Genesco Entertainment v. Koch, 593 F. Supp. 743, 752 (S.D.N.Y. 1984) (excluding "single shot transactions" from scope of consumer protection provisions)). In addition, the court defined "deceptive acts" objectively as acts that are "likely to mislead a reasonable consumer acting reasonably under the circumstances." Id. 85 N.Y.2d at 26.

The Second Circuit has adopted this interpretation of Section 349. See S.Q.K.F.C., Inc. v. Bell Atlantic Tricon Leasing Corp., 84 F.3d 629, 636 (2d Cir. 1996) (noting claim under Section 349 "requires a finding of conduct that is consumer-oriented" (internal quotation marks and citation omitted) and that would mislead a reasonable consumer causing actual injury); see also Securitron Magnalock Corp. v. Schnabolk, 65 F.3d 256, 264 (2d Cir. 1995) ("It is clear that 'the gravamen of the complaint must be consumer injury or harm to the public interest.'" (quoting Azby Brokerage, Inc. v. Allstate Ins. Co., 681 F. Supp. 1084, 1089 n.6 (S.D.N.Y. 1988))).

In this case, defendant's movie was made for public consumption and was not made as part of a private transaction. It is the public that has been misled into believing that plaintiff's designs and trademark are affiliated with defendant or that defendant received authorization from plaintiff to use such designs and trademark. Accordingly, plaintiff's claim under N.Y. Gen. Bus. Law § 349 is well-pleaded.

Conclusion

For all the foregoing reasons, plaintiff respectfully requests that defendant's motion to dismiss should be denied in its entirety.

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